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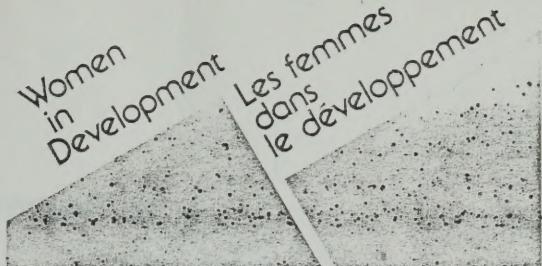
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WOMEN AND INDUSTRIAL DEVELOPMENT

OCTOBER 1985





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WOMEN AND INDUSTRIAL DEVELOPMENT

The Present Situation

In recent decades, the female labor force of the Third World has been steadily shifting away from agricultural services to industry. Women at present comprise 30 per cent of the global industrial work force, and they make a significant contribution to industrial production. Their real contribution is probably higher, because much of it goes unrecorded, occurring outside the market economy and within the informal sector (1). The high female participation rate in industry reflects many companies' preference for women workers.

Women participate in industry in developing countries in the large modern industrial sector and in the small-scale or informal production sector.

a) The Modern Industrial Sector

Industrialization in the twentieth century is closely linked to the expansion of multinational corporations into the "global factory". This type of industrial development is characterized by several factors that distinguish it sharply from traditional, locally-based manufacturing. The pace of multinational production and international division of labor has rapidly accelerated since the mid-sixties. Raw materials are often extracted in one country, refined in a second country, made into goods in a Third country, and sold in yet another country.

The electronics industry provides a good example: circuits are printed on silicon wafers and tested in California; then wafers are shipped to Asia for the labor-intensive process during which they are cut into tiny chips and bonded to circuit boards; final assembly into products such as calculators, video games or military equipment may take place in countries such as Puerto Rico, and the end product is sold in the United States, Canada and other developed countries (2).

Redeployment of labor-intensive industries from developed to developing countries plays an important part in the expansion of employment for women in the modern industrial sector, particularly in Asia, but also in Latin America and to some degree in Africa. In export processing zones the share of women workers is frequently more than 80 per cent.

Women predominate in some industries because sometimes they can be legally paid less than men. They are also seen to be more willing to do boring, repetitive work. Statistics for 1980 showed that in South Korea, for example, where 38 per cent of the manufacturing workforce is female and works mainly in the electronics and textile industry, women earned only 45 per cent of men's wages. In Thailand, about 95 per cent of workers in the micro-electronics industry are women; in South Korea, they represent about 80 per cent of textile workers (3).

b) The Small-Scale or Informal Sector

Over the centuries and across varied cultures women have actively participated in industrial activities through cottage industries, producing products such as textiles, shoes or handicrafts. Cottage industries have usually attracted women because of their flexibility and convenience, permitting them to work at home or in their neighborhoods, close to their children and accessible to household and childrearing duties.

In the small-scale and informal production sector women face obstacles such as changing market patterns; lack of credit; inappropriate technologies; low management skills; a general lack of awareness of existing government extension services and of market possibilities. In some cases, the abundant availability of new materials, such as plastic, displaces women from their traditional production of consumer goods for household use, made from natural and locally available materials.

Women in rural areas have been seriously affected by industrialization and the monetization of the economy. The industrial production of basic consumer goods and foods traditionally produced by women for family or community consumption has created the need for women to earn money in order to be able to buy these basic goods. Where they previously contributed to the production of goods, they are now often solely consumers, frequently without an alternative income-earning capacity.

Past Achievements

Women's participation in industry has been steadily increasing despite major impediments. While the total labor force increased by 39 per cent between 1960 and 1980, the numbers of women active in industry increased by 104 per cent. Approximately two-thirds of this increase took place in developing countries. Although integration into the modern industrial sector has not always improved the status of women, some Third World countries have introduced protective legislation requiring employers to minimize occupational hazards. And more and more unions and workers' associations are insisting upon enforcement of such legislation.

Many Third World women are gaining a certain independence by earning money and working outside the home. Meeting with other women can also lay the foundation for a collective spirit, and perhaps, collective action.

One of the most innovative women's programs was introduced by a group of women led by a wall street broker. They realized that lack of access to credit was one of the most crucial barriers holding Third World women back, and they established the Women's World Banking organization to provide partial guarantees as an inducement to encourage banks in developing countries to lend women the capital they need to expand and improve their businesses. The idea works, and has drawn support from foundations, and, among others, the governments of Norway, Sweden, Uruguay and Canada.

The Canadian International Development Agency (CIDA), and other international development agencies, are also giving new emphasis to the support of micro-enterprise development. The projects financed under this category are primarily directed at small-scale, employment-creating enterprises started in overpopulated urban areas. Micro-enterprise development thus holds the potential of important benefits for many small-scale entrepreneurs already active in the field. It can also represent a complementary model to large-scale, capital-intensive industrialization.

Barriers to Women's Full Participation in Industrial Development

In many developing countries, the modern industrial sector is still small. In general, imported, capital-intensive production processes require relatively little, but quite highly skilled labor. Since women rarely have technical education equal to men, they are usually greatly disadvantaged in a very competitive labor market. Relatively few employers promote or train women for skilled, higher paying positions.

Industrialization often brings jobs, higher incomes and lower priced goods. However, benefits usually are not equally distributed between rich and poor, male and female. Third World women confront many of the same obstacles to equal participation in industry as Canadian women have faced and still are facing. These include discriminatory hiring and promotion practices, pay inequalities, and occupational hazards. Where women have been unionized, they are often served less effectively than their male co-workers. Union management, even in largely female unions, such as nursing, often is in the hands of male members (4).

Working conditions in the modern sector are often unhealthy and unacceptable for Western standards. A female assembly worker in Canada, for example, earns between \$4 and \$6 per hour. In the Third World, women earn between \$4 and \$6 per day. Often, safety and health standards are non-existent or are not enforced by Third World governments. In the electronics industry, for example, women peer through microscopes all day to bind tiny wires onto circuit boards. One study found that most electronics workers developed severe eye problems after only one year of employment.

Factories sometimes encourage high turnovers because it is less expensive to train a new group of workers than to pay higher wages or benefits to workers with seniority. By the time women workers are 23 or 24 years old, they are laid off and not rehired. Unable to return to their villages because of the stigma of having been a "factory girl", and unable to find employment even as domestics, many of these women turn to prostitution. It is conservatively estimated that more than six million women in the developing world have been discarded this way (5).

Future Action

- * Government can introduce protective legislation for both male and female workers. This legislation will only be effective if it is enforced.
- * Women must be encouraged to take leadership positions in the organizations that insist on better working conditions.
- * Women must be specifically considered as a target group in the design of industrial projects, and more non-stereotypical and vocational training for women with emphasis on marketable skills is needed.
- * The negative social effects of large-scale industrialization projects must be studied and counteracted. Projects that upgrade women's capabilities and improve technologies traditionally used by women, and special training sessions for women entrepreneurs can complement large-scale industrialization projects.

Footnotes

1. UNIDO Factsheet, "Participation of Women in Industry", Vienna, March 1985.
2. Women in the Global Factory, Annette Fuentes and Barbara Ehrenreich, New York 1983, p.7.
3. Women and the Development of Thailand : Who pays ? Who profits ?, Match, 1984, Ottawa.
4. ILO 1979 : Conference of American States Members of the ILO, Medellin, (Colombia); Report III, Conditions of Work, Vocational Training and Employment of Women.
5. Roose, Diana, "Cheaper than Machines", in Cuso Journal, 1984.



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